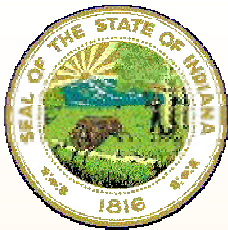


SENATOR CONNIE SIPE



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web site at:
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Dear Friends:

The forces of mother nature definitely left its mark on 2005. Hurricanes Katrina and Rita proved this a few months ago when they brought about unimaginable destruction and loss of life throughout the Gulf Coast. But in the face of these catastrophic storms, it was very uplifting to hear about the many acts of kindness and generosity of so many Americans.

I was very proud of how quickly our state took action to provide assistance. Within days of Hurricane Katrina, Operation Hoosier Relief, Indiana's disaster-assistance team, deployed National Guardsmen, Natural Resource Conservation Officers, law enforcement teams, medical personnel and other volunteers to aid in recovery efforts.

Here in Indiana, tornadoes ripped through parts of the state in November which also took a heavy toll. The outpouring of help and financial aid from local citizens, businesses and Hoosiers throughout the state was of great assistance to those most hurt by these storms. As we begin to rebound and rebuild, I hope this spirit of giving continues.

The Senate will convene January 9th for the short session of this General Assembly which must conclude business by March 14th. Many issues will come before us including a look at our state's emergency management plans to determine if there is anything we need to do legislatively to better prepare us to take quick action in the event of a future disaster.

Senate Democrats will continue to push for initiatives to provide additional funding for education. Many schools were shortchanged under the current state budget and are struggling to meet the needs of students and teachers. We will also be reviewing proposals dealing with property tax relief, energy cost assistance and transportation funding.

It is a pleasure to serve the citizens of Senate District 46. I hope you will take time to contact me by mail, phone or email to express your views on pending legislation or if I can provide assistance to you. I look forward to hearing from you.

Wishing you a joyous holiday season and a healthy new year,

A handwritten signature in black ink that reads "Connie W. Sipe".

Investing in our kids

Heading into next session, there are many important issues facing the General Assembly. However, one that we must confront is continuing to find ways to improve our schools and invest in our children.

Because we believe that providing a world-class education should be Indiana's top priority, Senate Democrats will be proposing a comprehensive early childhood development plan entitled *Every Child Matters*. Aimed at closing the state's growing achievement gap, we believe this proposal can be fully implemented without raising any taxes.

Highlights of this initiative include a plan to phase in statewide full-day kindergarten by 2010; creating a public-private partnership to promote early childhood



reading; conducting an independent study to determine what it actually costs to appropriately educate children; establishing Education Innovation Grants to encourage schools to develop new programs and curriculum; and creating a statewide bulk purchasing pool so schools can join together to buy supplies and equipment at reduced prices.

These are all common sense approaches that would help to strengthen our communities, grow our economy and improve the lives of all Hoosiers. Investing in the success of the next generation of Hoosiers is one of the best investments we can make, and we hope you will join us by expressing your support of the *Every Child Matters* proposal.

Privatization

Should the state be moving in this direction?

Change was expected upon the arrival of the new administration in January, 2005. In some cases, change may be needed, but a trend has emerged that is disturbing for many Hoosiers. The favored tool now being utilized by this administration is that of privatization.

Several areas of state government have already been handed over to private companies including the food service for all state prisons and the operation of the New Castle correctional facility. State hospitals, which care for some of our most vulnerable Hoosiers, have also been slotted for privatization as well as Indiana's Temporary Assistance for Needy Families (TANF), Food Stamp and Medicaid programs.

This administration is also exploring whether to allow logging by private businesses in our state forests, operate the inns at our state parks and even take control of the I-80/90 Toll Road.

Privatization raises many concerns. Out-of-state companies are awarded huge state contracts, but despite the fact that these contracts are paid for by our tax dollars there is virtually no public oversight of their performance. These businesses are not required to follow the same open record laws as state agencies.

When state government privatizes certain functions, the quality and eligibility of those that need services can be diminished. The public has no idea how the programs are operating, the number of people who are getting services or the amount of compensation that company executives are receiving in salaries and benefits. It is hard to see how the public can be assured that its tax dollars are being used wisely unless there is total accountability. In addition, we know that privatizing such things as welfare has failed in other states including Wisconsin and Colorado.

Instead of trying to fix problems from within state agencies, the governor has instead chosen to take risks through privatization. Countless state employees may lose their jobs or be forced to take positions with new private contractors at lower wages with fewer or no benefits.

This is a serious issue that could potentially have a major impact on the lives of thousands of Hoosiers. With the governor's propensity to lean toward privatization, it is likely that legislation will be considered that will call for a review of any plans to turn over control of state services to private vendors.

"Countless state employees may lose their jobs or be forced to take positions with new private contractors at lower wages with fewer or no benefits."

Focus On: EMINENT DOMAIN

The use of eminent domain has received much attention since the U.S. Supreme Court ruled last summer to allow New London, Connecticut to seize 90 acres of private property for an upscale economic development project. The plan called for the demolition of property in a neighborhood where some homeowners strongly objected. However, the Court ruled in favor of the development project stating that “promoting economic development is a traditional and long accepted function of government.”

Referring to the Fifth Amendment of the U.S. Constitution, many believe the original intent of eminent domain is to help local governments rid their communities of abandoned and unusable property in order to build public roads or schools—not to uproot property owners. Yet, under *Kelo vs. New London*, the U.S. Supreme Court preserved the rights of governmental units to utilize eminent domain.

The ruling has raised numerous concerns. The General Assembly was quick to take action and established an interim committee to study the use of eminent domain, especially where the proposed use of the property does not relate directly to providing a governmental service or fulfilling a governmental responsibility but is, rather, a commercial use. The committee has asked the legislature to consider the following recommendations:

- Define what would be “just compensation” for taking property by eminent domain;
- Support the policy that eminent domain can only be used if there is no reasonable alternative;
- Authorize reasonable attorneys fees to be paid by the condemner in an eminent domain action and define what reasonable would be;
- Set a time limit in which taken property must be utilized or else it is offered back to the previous owner;
- Define what economic development would constitute if it is determined to be an allowable use for eminent domain, particularly to ensure that it is more than just an increase in local tax revenue;
- Define condemnation-eligible property more precisely and determine how many of these criteria must be met for a property to be taken by eminent domain. During last session, condemnation-eligible property was defined as an area needing redevelopment which is an area in which normal development and occupancy are undesirable or impossible because of several factors. The factors include the lack of development, cessation of growth, deteriorated or deteriorating improvements, character of occupancy, age, obsolescence, substandard buildings or other aspects that impair values or prevent a normal use or development of property.

The committee also recommended that if no consensus on legislation is possible during the upcoming short session, that a moratorium on the use of eminent domain be considered.

Serve as a Student Page

Serving as a Page for the Indiana General Assembly is an excellent educational opportunity for students.

- Students between the ages of 12 and 18 are eligible to apply.
- Students can participate for one day assisting with various legislative activities. This is considered an excused absence from school.
- Interested students should write, call or email the Senator using the contact information listed on this newsletter.
- Include your full name, address, phone number, age, school and two different dates you are available to serve.
- The ‘06 session begins January 9th and will continue through March 14th. The Senate is normally in session on Mondays, Tuesdays and Thursdays.

For further information, contact the Senate Student Services Office toll-free at 1-800-382-9467.

Individuals and groups may visit the Statehouse throughout the week during regular business hours and certain times during weekends. Tours can be arranged by calling 1-317-233-5293. Walk-in visitors can take a self-guided tour. Tour books are available at the Information Desk located outside of the Rotunda. If you plan to tour the Statehouse while the Legislature is in session, your Tour Guide can contact my office and, if available, I would enjoy meeting you.

Stay informed!

**Request to receive regular emails
discussing issues coming
before the Indiana General Assembly.**

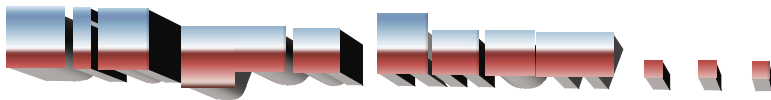
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- In 2004, 11.6% of Indiana's population lived in poverty, or more than 700,000 Hoosiers.
- In 2004, 18.5% of Hoosier children lived in poverty. That's 333,000 out of 1.8 million children, which is higher than the national rate.
- In 2004, almost 41% of Indiana's children were living in families with incomes less than 200% of the federal poverty guidelines. This translates to more than 735,000 children who were below twice the poverty level. It means that 4 in 10 Hoosier children and their families had incomes below the Self-Sufficiency Standard that defines the amount needed to meet a family's basic budget needs.
- Health insurance coverage of Hoosier children has declined from 79.5% in 1999 to 69% in 2004; almost 30% of all Hoosiers lack health insurance coverage.
- Child care is one of the most important factors in assisting individuals in becoming active members of the Hoosier workforce. Yet, it creates a substantial financial hardship for many. In 2004, 35,769 children were served in Indiana by the Indiana Child Care Development Fund which provides assistance for those who need help covering child care costs. However, there was a wait list of another 8,524 children. This indicates that far too many Hoosier families don't have adequate child care, or that their expenses for child care eat into their ability to pay their bills, provide for their families, or create some savings.

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700,000 Hoosiers
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Statistics provided by the Indiana Coalition on Housing and Homeless Issues